

INSURANCE CODE

TITLE 5. PROTECTION OF CONSUMER INTERESTS

SUBTITLE C. DECEPTIVE, UNFAIR, AND PROHIBITED PRACTICES

CHAPTER 554. BURDEN OF PROOF AND PLEADING

Sec. 554.001. APPLICABILITY OF CHAPTER. This chapter applies to each insurer or health maintenance organization engaged in the business of insurance or the business of a health maintenance organization in this state, regardless of form and however organized, including:

- (1) a stock life, health, or accident insurance company;
- (2) a mutual life, health, or accident insurance company;
- (3) a stock fire or casualty insurance company;
- (4) a mutual fire or casualty insurance company;
- (5) a Mexican casualty insurance company;
- (6) a Lloyd's plan;
- (7) a reciprocal or interinsurance exchange;
- (8) a fraternal benefit society;
- (9) a title insurance company;
- (10) a stipulated premium company;
- (11) a nonprofit legal services corporation;
- (12) a statewide mutual assessment company;
- (13) a local mutual aid association;
- (14) a local mutual burial association;
- (15) an association exempt under Section [887.102](#);
- (16) a nonprofit hospital, medical, or dental service corporation, including a corporation subject to Chapter [842](#);
- (17) a county mutual insurance company;
- (18) a farm mutual insurance company; and
- (19) an insurer or health maintenance organization engaged in the business of insurance or the business of a health maintenance organization in this state that does not hold a certificate of authority issued by the department or is not otherwise authorized to engage in business in this state.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 2, eff. April 1, 2005.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 967 (S.B. [2065](#)), Sec. 5.004, eff. September 1, 2017.

Sec. 554.002. BURDEN OF PROOF AND PLEADING. In a suit to recover under an insurance or health maintenance organization contract, the insurer or health maintenance organization has the burden of proof as to any avoidance or affirmative defense that the Texas Rules of Civil Procedure require to be affirmatively pleaded. Language of exclusion in the contract or an exception to coverage claimed by the insurer or health maintenance organization constitutes an avoidance or an affirmative defense.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 2, eff. April 1, 2005.